



# NATURAL RESOURCE TAXES





# Natural Resource Taxes



# Natural Resource Taxes

## Overview of Natural Resource Taxes

Historically, Montana has relied on its store of natural resource wealth as a primary source of tax revenue. This section discusses the characteristics of each of the different natural resource taxes in Montana. Generally, natural resource taxes may be categorized as either severance/license taxes, or some form of ad valorem (property) taxes. Information provided includes tax rates, filing requirements, disposition of the tax, production tax incentives and recent revenue collections.

### Natural Resource Tax Collections - FY2004

	Fiscal 2004 Collections
<b>State Severance and License Taxes</b>	
Coal Severance Tax	\$31,544,681
Oil & Gas Production Tax (State Share)	47,712,085
Metalliferous Mines License Tax	5,572,192
Resource Indemnity and Groundwater Assessment Tax (RIGWAT)	<u>1,250,528</u>
<b>Total State Collections</b>	<b>\$86,079,486</b>
<b>Local Government Ad Valorem and Severance Taxes</b>	
Coal Gross Proceeds Tax	\$10,498,787
Oil & Natural Gas Production Tax (Local Government Share)	44,963,964
Metal Mines Gross Proceeds Tax (estimated)	4,266,001
Miscellaneous Mines Net Proceeds Tax (estimated)	<u>2,867,163</u>
<b>Total Local Government Collections</b>	<b>\$62,595,915</b>



# Natural Resource Taxes

## Coal Severance Tax

### Tax Rate

The coal severance tax applies to the value of coal f.o.b. (free-on-board) at the mine less deductions for taxes, fees, government and tribal royalties, and processing allowances. (MCA 15-35-102)

Producers of over 50,000 tons of coal per year pay a quarterly tax on all production in excess of 20,000 tons. Producers of less than 50,000 tons per year are exempt from the tax. Surface mined coal is taxed at 15% of value if rated 7,000 BTU per pound and over, and taxed at 10% of value if rated less than 7,000 BTU per pound. Coal mined underground is taxed at 4% if rated 7,000 BTU per pound and over, and is taxed at 3% if rated less than 7,000 BTU per pound.

Coal Severance Tax Rates		
Heating Quality (BTU* per pound)	Surface Mining	Underground Mining
Under 7,000 BTU	10% of value	3% of value
7,000 BTU and over	15% of value	4% of value

\*BTU stands for British Thermal Unit

### Value of Coal

The value of coal to which the severance tax is applied is the “contract sales price.” The contract sales price is the price of coal extracted and prepared for shipment f.o.b. mine, less that amount required to pay production taxes. Production taxes include the state severance tax, resource indemnity and groundwater assessment tax (RIGWAT), local gross proceeds taxes, federal reclamation taxes, and the federal Black Lung Tax. The contract sales price includes royalties up to 15 cents per ton paid to federal and state governments, or Indian tribes, and all royalties paid to other mineral rights owners.

### Production Incentives

Persons producing less than 50,000 tons of coal in a year are exempt from severance tax. Persons producing more than 50,000 tons per year are exempt from severance tax on the first 20,000 tons produced. Effective calendar year 1995, a person or firm is not liable for any severance tax upon the first two million tons of coal produced as feedstock for an approved coal enhancement facility. This exemption terminates December 31, 2005. Coal used in a power plant constructed between 2002 and 2008 that offers half of the electricity it produces for sale in Montana, at a rate set by the Public Service Commission, is to be taxed at one-third of the normal rate.

### Filing Requirements

Coal mine operators are required to file quarterly statements containing information sufficient to calculate the tax due. The quarterly return and tax payments are due 30 days following the close of each calendar quarter.

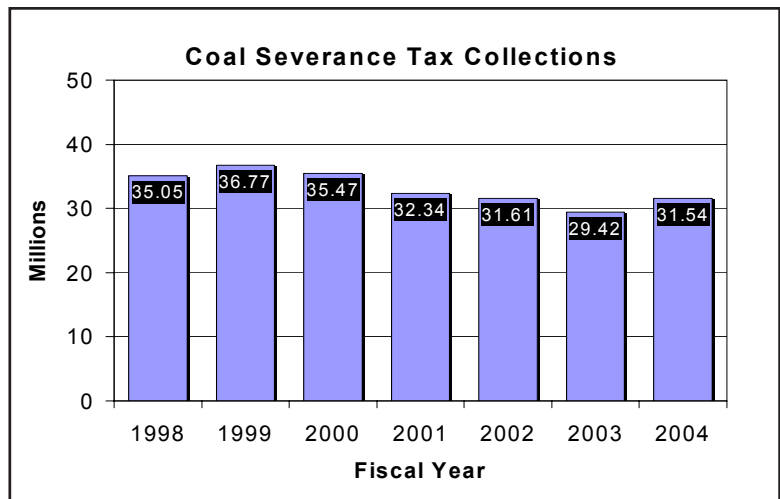


# Natural Resource Taxes

## Collection of Coal Severance Tax

Coal Severance Tax Collections							
	FY1998	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004
Severance Tax Collected	\$35,045,243	\$36,767,488	\$35,469,791	\$32,337,172	\$31,614,049	\$29,423,546	\$31,544,681
Number of Producers	5	5	5	5	5	5	6
Number of Tons Taxed	35,501,422	34,975,407	35,077,422	32,317,962	33,148,533	30,245,709	31,128,959
Average Value per ton	\$6.78	\$6.00	\$6.43	\$6.23	\$6.38	\$6.60	\$6.78

Coal Severance Tax Collections	
FY1998	\$ 35,045,243
FY1999	\$ 36,767,488
FY2000	\$ 35,469,791
FY2001	\$ 32,337,172
FY2002	\$ 31,614,049
FY2003	\$ 29,423,546
FY2004	\$ 31,544,681



## Distribution of Coal Severance Tax Revenue

Coal severance tax collections are distributed to several trusts, funds and programs, with 50% of revenues deposited into the Coal Trust Fund as mandated by the state constitution. The following table details past and current law tax distributions.

Distribution of Coal Severance Tax Revenue				
	FY99	FY00-FY02	FY03	FY04-FY05
Coal Tax Trust Fund	50.00%	50.00%	50.00%	50.00%
General Fund	26.55%	26.79%	33.04%	27.40%
Long Range Building Fund	12.00%	12.00%	10.00%	12.00%
Local Impact Fund	8.36%	8.36%	6.01%	7.75%
Parks Acquisition	1.27%	1.27%	0.00%	1.27%
Renewable Resource Loan Fund	0.95%	0.95%	0.95%	0.95%
Capitol / Art Trust Fund	0.87%	0.63%	0.00%	0.63%
<b>Total Distributions</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>



# Natural Resource Taxes

## Coal Severance Tax Trust Funds

Half of coal severance tax collections are deposited in the coal tax trust funds. The Coal Severance Tax Bond Fund and Coal Severance Tax School Bond Contingency Loan Funds are reserve funds to guarantee repayment of state and school bonds if the normal funding source is unavailable. Having these funds allows the state to borrow at lower interest rates. Interest on these two funds and on the Coal Severance Tax Fund is deposited in the state general fund. Interest on the Treasure State Endowment Fund is to be used for local infrastructure projects. Interest on the Treasure State Endowment Regional Water System Fund is to be used for regional water systems.

Principal and Interest of the Coal Trust Fund						
Fund	Principal					
	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004
Coal Severance Tax Bond Fund	\$11,066,948	\$6,933,282	\$9,586,515	\$9,403,227	\$9,212,267	\$10,223,798
Treasure State Endowment Fund	64,749,752	76,976,715	87,664,755	99,311,288	111,590,227	118,262,570
Coal Severance Tax Fund	541,587,573	544,861,285	545,160,833	543,584,807	543,584,807	546,920,978
Regional Water System Fund	-	3,441,977	6,987,709	10,869,886	14,962,866	18,299,038
School Bond Contingency Loan Fund	2,177,740	2,177,740	-	-	-	-
<b>Total Trust Fund Principal</b>	<b>\$619,582,013</b>	<b>\$634,390,999</b>	<b>\$649,399,812</b>	<b>\$663,169,208</b>	<b>\$679,350,167</b>	<b>\$693,706,384</b>
Fund	Interest					
	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004
General Fund	\$41,177,971	\$39,195,203	\$37,639,527	\$37,605,247	\$36,297,863	\$34,907,273
Local Infrastructure Projects	5,030,847	5,123,375	5,801,525	6,804,839	7,175,069	8,073,637
Regional Water Systems	-	32,058	370,164	643,133	894,259	1,201,061
<b>Total Trust Fund Interest</b>	<b>\$46,208,818</b>	<b>\$44,350,636</b>	<b>\$43,811,216</b>	<b>\$45,053,219</b>	<b>\$44,367,191</b>	<b>\$44,181,971</b>

## Coal Gross Proceeds Tax

### Tax Rate

State and local governments do not levy or assess any mills against the reported gross proceeds of coal; instead, a flat tax of 5% is levied against the value of the reported gross proceeds.

### Value of Coal

The gross proceeds of coal is determined by multiplying the number of tons produced times the contract sales price.

Coal Gross Proceeds Tax							
Tax Year	TY1997	TY1998	TY1999	TY2000	TY2001	TY2002	TY2003
Tons	33,772,470	36,195,263	35,656,533	33,456,998	33,281,024	32,090,040	30,926,339
Gross Value	\$351,551,736	\$308,119,966	\$323,056,504	\$302,646,145	\$301,864,347	\$305,301,959	\$301,406,721
Gross Proceeds	\$250,878,184	\$217,415,975	\$229,967,925	\$212,699,186	\$208,870,891	\$211,360,749	\$210,071,951
Tax	\$12,543,909	\$10,870,799	\$11,498,396	\$10,634,959	\$10,443,545	\$10,568,037	\$10,498,787

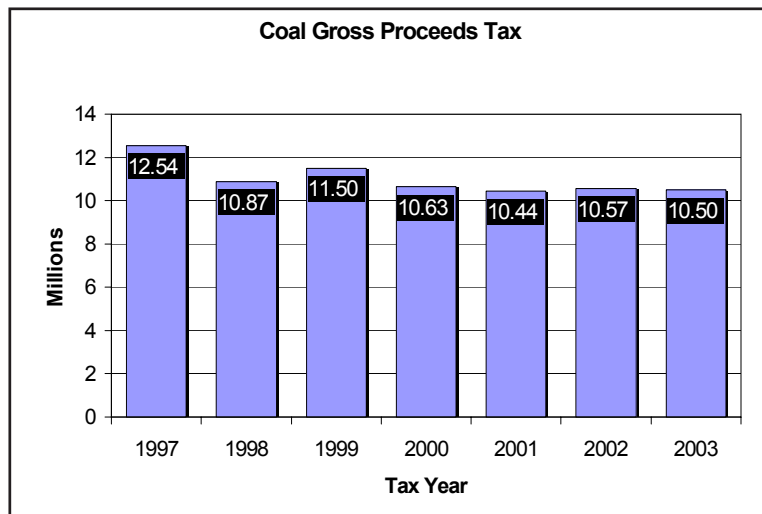


# Natural Resource Taxes

## Filing Requirements

On or before March 31 of every year, each person or firm engaged in mining coal must file a statement of gross yield for every mine operated in the preceding year. The producer must pay 50% of the taxes due on or before November 30; the remaining 50% is due on or before May 31 of the following year.

## Collection of Coal Gross Proceeds Tax



## Distribution of Coal Gross Proceeds Tax

Coal gross proceeds tax revenue is proportionally distributed to the appropriate taxing jurisdictions in which production occurred based on the total number of mills levied in fiscal year 1990.

## Metalliferous Mines License Tax

### Tax Rate

Mining operations in which metal or gems are extracted are subject to the metalliferous mines license tax, which is based on the gross value of the product.

The first \$250,000 of gross value of concentrate shipped to a smelter, mill or reduction work is exempt from taxation and the increment above \$250,000 is taxed at 1.81% of gross value. The first \$250,000 of gross value of gold, silver or any platinum-group metal that is dore, bullion or matte that is shipped to a refinery is exempt from taxation and the increment above \$250,000 is taxed at 1.6% of gross value. Shipping and refining costs are deducted from revenue to determine gross value. (MCA 15-37-102, 103)

### Metalliferous Mines License Tax Rates

Product	Gross Value Of Product	Tax Rate
Dore/Bullion/Matte	First \$250,000	0.00%
	Over \$250,000	1.60%
Concentrates	First \$250,000	0.00%
	Over \$250,000	1.81%



# Natural Resource Taxes

## Gross Value

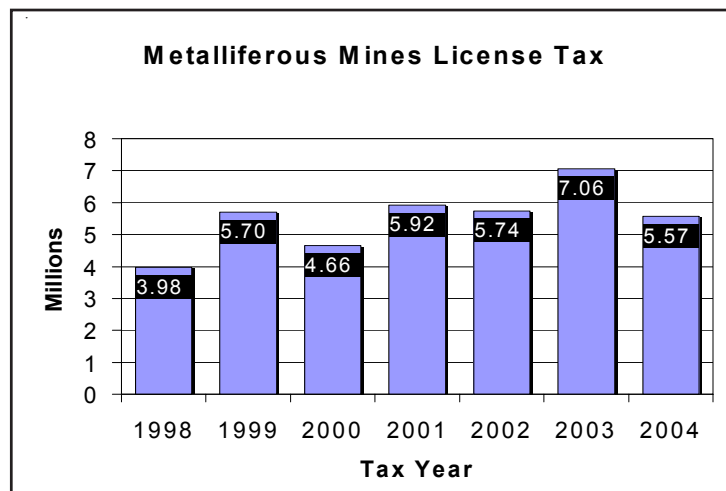
The value to which the tax rate is applied is the monetary payment the mining company receives from the metal trader, smelter, roaster or refinery, determined by multiplying the quantity of metal received by the metal trader, smelter, roaster or refinery by the quoted price for the metal and then subtracting basic treatment and refinery charges, quantity deductions, price deductions, interest and penalty, metal impurity, and moisture deductions as specified by contract between the mining company and the receiving metal trader, smelter, roaster or refinery. Deductions also are allowed for the cost of transportation from the mine or mill to the smelter, roaster or refinery.

## Filing Requirements

Beginning in 2003, reports and payment of metal mines tax are due twice a year, on or before March 31 and August 15.

## Metalliferous Mines License Tax Collections

Year	Number of Producers	Gross Value	Total Tax
FY1998	10	\$302,013,004	\$ 3,977,699
FY1999	5	\$298,741,683	\$ 5,700,013
FY2000	5	\$324,743,563	\$ 4,661,369
FY2001	5	\$352,909,344	\$ 5,923,752
FY2002	4	\$374,454,984	\$ 5,740,242
FY2003	4	\$317,268,981	\$ 7,055,900
FY2004	4	\$371,563,545	\$ 5,572,192



## Distribution of Metalliferous Mines License Tax

Currently, 58% of metalliferous mines license tax revenue is deposited in the state general fund; 8.5% in the hard-rock mining reclamation account; 7% in the reclamation and development grants account; 2.5% in the hard-rock mining impact trust account; and 24% to the county or counties identified as experiencing fiscal and economic impacts under an impact plan. If no such plan has been prepared, that same 24% goes instead to the county in which the mine is located (MCA 15-37-117). In fiscal 2003, no revenue went to reclamation and development grants and 65% went to the state general fund.





# Natural Resource Taxes

## Metal Mines Gross Proceeds Tax

### Tax Rate

For property tax purposes, the taxable value of metal mines is equal to 3% of annual gross proceeds. This amount is then subject to state and local mill levies in the jurisdictions in which the taxable value of the mining operation is allocated. (MCA 15-23-801, 802)

### Gross Value

Total gross proceeds means the monetary payment or refined metal received by the mining company from the metal trader, smelter, roaster, or refinery, determined by multiplying the quantity of metal received by the quoted price for the metal and then subtracting basic treatment and refinery charges, quantity deductions, price deductions, interest and penalty, metal impurity, and moisture deductions as specified by contract.

### Filing Requirements

Metal mines tax reports are required to be filed by March 31 of each year, showing the total gross proceeds of metal mined during the preceding calendar year.

**Metal Mines Gross and Taxable Value of Production**

Annual Production	Gross Value	Taxable Value
1997	\$301,805,597	\$9,049,227
1998	\$276,229,167	\$8,282,055
1999	\$282,110,429	\$8,460,977
2000	\$367,081,367	\$11,012,441
2001	\$355,644,688	\$10,669,341
2002	\$303,045,425	\$9,086,281
2003	\$371,542,491	\$10,428,301

### Distribution of Metal Mines Gross Proceeds Tax

The metal mines gross proceeds tax is class 2 of the property tax. Property tax is allocated to taxing jurisdictions based on their mill levies.

## Micaceous Mines License Tax

Micaceous minerals are those that are generally classified as complex silicates, and include such minerals as vermiculite, perlite, kernite, maconite. There have been no micaceous mines license tax collections since FY1990 because there has been no production. All proceeds from the micaceous mines license tax are deposited in the state general fund.

### Tax Rate

There is a tax of 5¢ per ton of concentrates mined, extracted, or produced.

### Filing Requirements

Operators of micaceous mineral mines are required to file quarterly statements showing the number of tons of micaceous minerals mined. Quarterly returns, along with the accompanying tax payment, are due within 30 days following the end of each calendar quarter.



# Natural Resource Taxes

## Miscellaneous Mines Net Proceeds Tax

### Tax Rate

For property tax purposes, the taxable value of mines other than metal and coal mines (bentonite, talc, vermiculite, etc.) is equal to 100% of annual net proceeds. This amount is then subject to state and local mill levies in the jurisdictions where the mining operation is located.

### Exemptions

Sand, gravel, travertine and building stone are exempt from mines net proceeds taxation. Persons who produce less than 1,000 tons of industrial garnets within a tax year are exempt from miscellaneous mines net proceeds taxation.

#### Miscellaneous Mines Net Proceeds Imputed Value of Minerals

Talc	\$5.99 per ton for 2004 production, adjusted annually for inflation
Vermiculite	\$34.92 per ton for 2004 production, adjusted annually for inflation
Limestone for Quicklime	\$0.43 per ton for 2004 production, adjusted annually for inflation
Industrial Garnets	\$23.51 per ton for 2004 production, adjusted annually for inflation
All Other Minerals	Gross proceeds minus allowable costs

### Filing Requirements

Miscellaneous mines tax reports are due by March 31 of each year, showing the total gross proceeds of minerals mined during the preceding calendar year, and information on costs associated with the mining operation sufficient to allow calculation of the net proceeds from the operation.

### Distribution of Miscellaneous Mines Net Proceeds Tax

The net proceeds of miscellaneous mines is subject to mill levies of those taxing jurisdictions in which the mine is located. The tax is distributed on the basis of relative mills levied by all jurisdictions levying taxes in the area.

#### Miscellaneous Mines Net Proceeds Tax

Tax Year	Tons	Gross Value	Net Proceeds	Taxable Royalties	Taxable Value
1997 Production	4,353,042	\$ 22,627,631	\$ 7,076,916	\$ 421,834	\$ 7,498,750
1998 Production	2,546,160	\$ 18,073,480	\$ 6,908,942	\$ 289,372	\$ 7,198,314
1999 Production	2,321,605	\$ 15,127,844	\$ 4,770,722	\$ -	\$ 4,770,722
2000 Production	2,965,847	\$ 20,127,099	\$ 7,276,946	\$ 160,093	\$ 7,437,039
2001 Production	2,753,889	\$ 23,606,545	\$ 8,133,721	\$ -	\$ 8,133,721
2002 Production	2,675,016	\$ 20,319,372	\$ 7,489,451	\$ 259,054	\$ 7,748,505
2003 Production	2,453,053	\$ 22,513,861	\$ 7,319,184	\$ 386,094	\$ 7,705,278



# Natural Resource Taxes

## Oil and Natural Gas Production Tax

### Tax Rates

The 1995 Montana Legislature replaced all existing state and local extraction taxes on all oil and natural gas production with a single production tax based on the type of well and type of production. This tax became effective January 1, 1996. The 1999 legislature further simplified the structure of oil and gas production tax rates. Effective January 1, 2000, the legislature consolidated tax rates, revised the definition of qualifying production, shortened incentive periods for qualifying production, and replaced pre - 1985 and post - 1985 categories with pre - 1999 and post - 1999. The pre - 1999 classification includes all wells drilled before January 1, 1999, while the post - 1999 classification refers to wells drilled on or after January 1, 1999. (MCA 16-36-304)

Oil Production Tax Rates	
Royalties	15.06%
Pre -1999 wells not in another category	12.76%
Post -1999 wells not in another category	9.26%
Incremental production from secondary recovery	8.76%
Incremental production from tertiary recovery	6.06%
New production horizontally recompleted wells and first 10 barrels per day from wells producing 3 to 15 barrels a per day	5.76%
New production and wells producing less than 3 barrels per day	0.76%

Natural Gas Production Tax Rates	
Royalties and regular production from pre -1999 wells	15.06%
Regular production post -1999 wells and all horizontally completed wells	9.26%
Pre - 1999 wells producing less than 60 thousand cubic feet per day	11.26%
The first 12 months of new wells, production from post - 1999 wells	0.76%

### Value of Oil

Total gross value of oil is computed as the product of the total number of barrels produced each month and the average wellhead value per barrel. Producers are allowed to deduct any oil produced that is used in the operation of the well.

### Value of Natural Gas

Total gross value of natural gas is computed as the product of the total number of cubic feet produced each month and the average wellhead value per cubic foot. Producers are allowed to deduct any natural gas produced that is used in the operation of the well.

### Exemptions

Royalties received by an Indian tribe from on-reservation oil production pursuant to a lease entered into under the Indian Mineral Leasing Act of 1938, and all governmental royalties, are exempt from taxation.

### Production Incentives

Incremental production from secondary and tertiary recovery projects and recompleted horizontal wells are taxed at reduced rates as shown above. These reduced rates apply when the average price for West Texas Intermediate Crude Oil (WTI) is less than \$30 per barrel. Production from stripper wells is taxed at reduced rates as shown in the tables above. The reduced rate for oil wells producing less than 3 barrels per day applies when the average price of WTI is less than \$38 per barrel. The reduced rate for oil wells



# Natural Resource Taxes

producing between 3 and 15 barrels per day applies when the average price of WTI is less than \$30 per barrel. The first 12 months of production from a conventional well and the first 18 months of production from a horizontally completed or horizontally recompleted well is taxed at reduced rates as shown in the tables that can be found on the previous page.

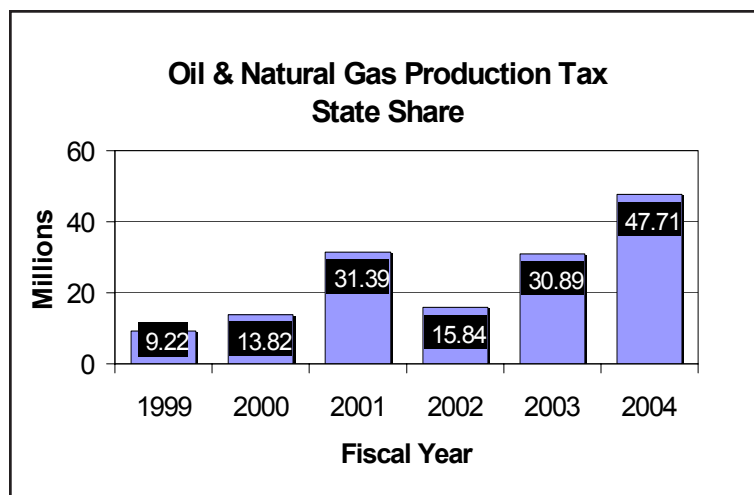
## Filing Requirements

Oil and natural gas producers are required to file quarterly statements containing information sufficient to calculate the tax due. Tax payments are due within 60 days following the close of each calendar quarter.

## Oil and Natural Gas Tax Collections

Oil and Natural Gas Production Tax Revenue Collections						
Fund	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004
General Fund	\$7,505,617	\$11,362,742	\$26,057,218	\$12,902,439	\$29,086,038	\$41,323,718
University Millage						1,213,786
Coal Bed Methane					400,000	563,380
Board of Oil and Gas	650,457	1,055,457	2,000,320	982,574	1,408,495	1,905,579
Resource Indemnity *	1,065,538	1,399,091	3,334,813	1,952,954	-	2,705,622
Total State Share	\$9,221,612	\$13,817,290	\$31,392,351	\$15,837,967	\$30,894,533	\$47,712,085
Total Local Share	21,607,789	29,953,032	61,425,763	34,465,644	42,494,843	44,963,964
<b>Total State and Local</b>	<b>\$30,829,401</b>	<b>\$43,770,322</b>	<b>\$92,818,114</b>	<b>\$50,303,611</b>	<b>\$73,389,376</b>	<b>\$92,676,049</b>

\* Resource Indemnity includes distributions to the reclamation & development account, the orphan share account, and the resource indemnity trust account.





# Natural Resource Taxes

## Distribution of the State Share of the Oil and Gas Production Tax

The state share of the oil and gas production tax is distributed as shown in the table below.

Distribution of State Share of Oil and Gas Production Tax *			
Account	FY03	FY04 - FY11	FY12
Coal Bed Methane Protection	\$400,000	1.23%	---
Reclamation and Development Grants	---	2.95%	4.18%
Orphan Share	---	2.95%	2.95%
University System	---	2.65%	2.65%
General Fund	Remainder	90.22%	90.22%
<b>Total Distributions</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>
* Does not include the portion of the tax that is levied to fund the operations of the Board of Oil and Gas Conservation (0.26% of gross value of production).			



# Natural Resource Taxes

## Resource Indemnity and Groundwater Assessment Tax

### Tax Rates

The resource indemnity and groundwater assessment tax (RIGWAT) was created to indemnify the citizens of Montana for the loss of long-term value resulting from the depletion of natural resource bases, and for environmental damage caused by mineral development.

### Exemptions

- Metal production subject to the metal mines license tax is exempt from RIGWAT.
- Oil and gas royalties received by an Indian tribe, by the U.S. Government as trustee for individual Indians, by the U.S. Government, by the State of Montana, or by a county or municipality are exempt from RIGWAT.
- Oil and natural gas production subject to the oil and gas production tax is exempt from RIGWAT.

RIGWAT Tax Rates	
Mineral	Tax *
Talc	4% of gross value
Coal	0.4% of gross value
Vermiculite	2% of gross value
Quicklime	10% of gross value
Industrial Garnets	1% of gross value
Other	0.5% of gross value
* Minimum tax is \$25	

### Filing Requirements

All extractors and producers of minerals must file an annual statement showing the gross yield of product for each mineral mined. Metal producers are required to file on or before March 31. All other producers are required to file on or before the 60th day following the end of the calendar year. The tax due is required to be paid at the time of filing the statement of gross yield.

### RIGWAT Tax Collections

RIGWAT Tax Collections By Mineral						
Mineral	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004
Coal	\$1,069,298	\$1,034,506	\$951,681	\$998,816	\$1,005,490	\$965,537
Metals	1,078	0	1,862	460	0	0
Other	203,363	288,596	123,529	225,031	220,121	284,991
<b>Total</b>	<b>\$1,273,739</b>	<b>\$1,323,102</b>	<b>\$1,077,072</b>	<b>\$1,224,307</b>	<b>\$1,225,611</b>	<b>\$1,250,528</b>



# Natural Resource Taxes

## Distribution of RIGWAT

The principal of the resource indemnity trust reached \$100 million in fiscal year 2002, and by statute no more funds are to be deposited in the trust. In fiscal year 2004, \$366,000 was deposited in the groundwater assessment account, 50% of the remainder was deposited in the reclamation and development grants account and 50% of the remainder was deposited in the orphan share account.

## Distribution of Interest Income

Interest from the resource indemnity trust is allocated in a two-stage process. First, several programs receive fixed allocations. Second, remaining funds are divided between four programs on a percentage basis. The table shows these allocations.

**Distribution of Resource Indemnity Trust Interest**

	Fixed Allocations		Percentage Allocations of Remainder	
	Even Numbered Fiscal Years	Odd Numbered Fiscal Years		
MSU-Northern Water Quality Program	\$240,000	\$240,000		
Renewable Resource Grants and Loans	\$2,000,000	\$2,000,000	25.5%	<sup>2</sup>
Reclamation and Development Grants	\$1,200,000	\$1,200,000 <sup>1</sup>	45.0%	<sup>2</sup>
Groundwater Assessment	\$300,000	\$300,000	—	
Fishery Habitat Restoration	\$350,000	\$350,000 <sup>1</sup>	—	
Environmental Contingency Account	\$175,000	\$0	—	
Oil and Gas Damage Mitigation	\$50,000	\$0	—	
Water Storage	\$500,000	\$0	—	
Hazardous Waste/CERCLA Account	\$0	\$0	22.0%	<sup>2</sup>
Environmental Quality Protection Fund	\$0	\$0	7.5%	<sup>2</sup>

<sup>1</sup> Beginning FY2006 \$1,500,000 to Reclamation and Development Grants and \$500,000 to Fishery Habitat Restoration

<sup>2</sup> Beginning FY2006 30% to Renewable Resource Grants and Loans, 35% to Reclamation and Development Grants, 26% to Hazardous Waste/CERCLA, and 9% to Environmental Quality Protection Fund



# Natural Resource Taxes

## Cement and Gypsum Taxes and Licenses

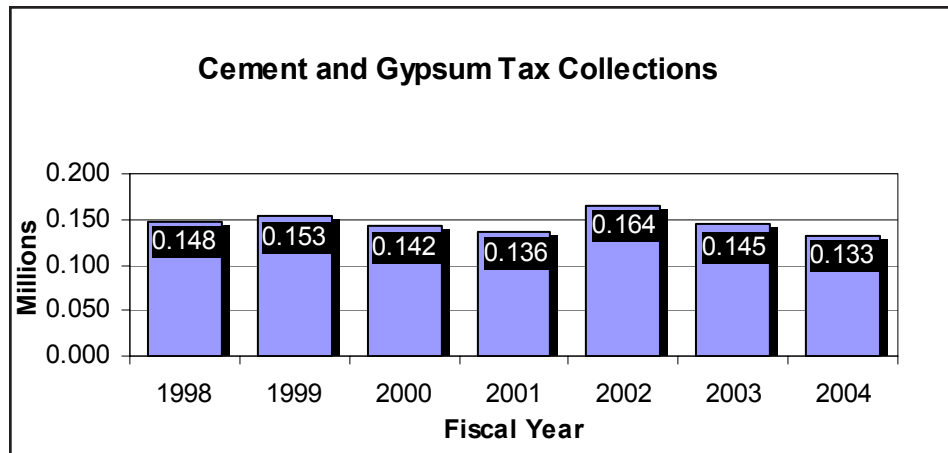
### Tax Rate

Producers and importers of cement and cement products are required to pay a license tax of 22¢ per ton. Producers and importers of gypsum and gypsum products are required to pay 5¢ per ton. All cement and gypsum collections are deposited in the state general fund. (MCA 15-59-101)

### Cement and Gypsum Taxes and Licenses Collections

#### Cement and Gypsum Tax Collections

FY1998	\$147,705
FY1999	\$153,393
FY2000	\$142,204
FY2001	\$136,301
FY2002	\$163,893
FY2003	\$145,126
FY2004	\$132,604



### Filing Requirements

Producers, manufacturers and importers must file quarterly statements showing the number of tons of cement or gypsum produced, manufactured or imported. The statements, along with the tax due, must be submitted within 30 days following the end of each calendar quarter.

### Distribution

All proceeds from cement and gypsum taxes and licenses are deposited in the state general fund.